PF Task Force 7-7-2009 Chad Munsey

Problem – unfunded liability in PF Pension Plan

Proposed solution – seven step approach that involves all three stakeholders, city government, citizens (tax payers) and police & firefighters:

- 1 Benefit amendment that will allow tier 1 & 2 police and firefighters to continue working five more years at 1% build rate
 - this will reduce years as pension recipients
 - early actuarial study determined that this will have a 10% positive impact on plan
 - reduce turnover
- 2 move all future police and firefighters into LAGERS plan (tier 3) and close tier 2
 - gets city out of the pension business
 - cost is predictable
 - benefits are reasonably close to tier 1 & 2
- 3 sell excess city property and transfer proceeds of sale into plan
- 4 allow and invite private equity
- 5 city continue to fund at maximum actuarial level each year or 12 million (the greater of)
- 6 pay future lump sum telecom settlement proceeds directly into plan (above and beyond city commitment)
- 7 propose a sales tax that in conjunction with the other six steps will fully fund the plan in 10 years
 - leave the number up to the actuary